

**AUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31st DECEMBER 2024**

	31-Dec-24	31-Dec-23
	Frw'000'	Frw'000'
Interest and similar income	5,440,194	4,397,576
Interest expenses	(1,083,714)	(1,051,692)
Net interest income	4,356,480	3,345,884
Fees and commissions received	791,935	738,930
Foreign exchange income	70,217	22,827
Other operating income	345,7844	141,796
Net operating income from banking activities	5,564,416	4,249,437
Impairment losses on loans and advances	(42,721)	(26,004)
Operating income after impairment losses	5,521,695	4,223,433
Staff costs	(2,359,167)	(1,880,653)
Interest on lease liability	(98,318)	(15,142)
Depreciation - Right of Use Asset	(234,108)	(209,017)
Other Operating expenses	(1,196,656)	(1,022,581)
Total operating expenses	(3,888,250)	(3,127,393)
Profit before tax	1,633,445	1,096,040
Income tax expense	(555,686)	(399,377)
Net profit for the period	1,077,759	696,663
Revaluation of land	10,275	-
Effect of deferred tax on land revaluation	(2,877)	
Total other comprehensive income	7,398	
Total comprehensive income	1,085,157	696,663

**AUDITED STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED
31st DECEMBER 2024**

ASSETS	31-Dec-24	31-Dec-23
	Frw'000'	Frw'000'
Cash	1,573,303	1,785,227
Balances with National Bank of Rwanda	926,524	1,449,593
Placements and balances with other banks and similar financial institutions	4,626,810	5,699,398
Investment in treasury bonds	3,125,496	3,135,091
Loans and advances to customers	27,441,340	20,173,265
Other assets	1,351,094	1,492,714
Property and equipment	508,697	398,231

Intangible assets	53,089	43,253
Right of use of assets	985,924	1,153,938
Deferred income tax	120,188	137,217
Total assets	40,712,465	35,467,927
EQUITY AND LIABILITIES		
Liabilities		
Current income tax	180,907	36,732
Deposits from customers	30,359,385	23,735,971
Other current liabilities	1,577,074	1,660,089
Borrowed funds		2,400,000
Lease liabilities	1,053,904	1,179,097
Total liabilities	33,171,270	29,011,889
Shareholder's equity		
Share capital	5,179,165	5,179,165
Accumulated profit	2,354,632	1,276,873
Revaluation reserve	7,398	-
Total shareholder's equity	7,541,195	6,456,038
Total liabilities and equity	40,712,465	35,467,927

AUDITED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st DECEMBER 2024

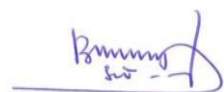
	31-Dec-24	31-Dec-23
	Frw'000'	Frw'000'
Profit before tax	1,633,445	1,096,040
Cash flows from operating activities		
Adjustments for non-cash items:		
Depreciation of property and equipment	156,081	98,246
Amortization of intangible assets	26,154	58,969
Interest on lease liabilities	98,318	15,142
Foreign exchange rate fluctuation gains	(108,743)	(231,699)
Depreciation of the right of use asset	316,260	209,017
Gain on lease modification		(60,447)
Impairment of non-current assets held for sale		59,201
Gain on Disposal of property and equipment	(13,805)	(2,619)
	2,107,710	1,241,850
Changes in working capital		
Increase/decrease in loans and advances to customers	(7,268,075)	(1,853,285)
Decrease/increase in other assets	141,620	(374,272)
Increase in customer deposits	6,623,414	1,789,795
Decrease/increase in other liabilities	(83,015)	150,622
Tax paid	(397,359)	(324,553)
Net cash generated / used in operating activities	1,124,295	630,157
Cash flow from investing activities		
Acquisition of treasury bonds	(1,209,958)	(415,135)

Proceeds from sale of treasury bonds	1,219,553	424,227
Disposal proceeds from property and equipment	17,458	5,668
Purchase of intangible Assets	(35,990)	(48,251)
Purchase of property and equipment	(259,925)	(186,599)
Net cash flows from investing activities	(268,862)	(219,090)
Cash flow from financing activities		
Proceeds from borrowed funds	81,250,000	75,700,000
Repayment of borrowed funds	(83,650,000)	(74,300,000)
Principal payment in lease liabilities	(371,757)	(167,157)
Net cash flows from financing activities	(2,771,757)	1,232,843
Net decrease / increase in cash and cash equivalents	(1,916,324)	1,643,910
Cash and cash equivalents at 1 January	8,934,218	7,058,609
Effect on exchange rate fluctuations on cash and cash equivalents	108,743	231,699
Cash and cash equivalents at year end	7,126,637	8,934,218

**AUDITED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED
31st DECEMBER 2024**

	Share capital	Retained earnings	Revaluation reserve	Total
	Frw'000'	Frw'000'	Frw'000'	Frw'000'
2023				
As at 1 January	5,179,165	580,210		5,759,375
Comprehensive income for the year	-	-		-
Profit for the year	-	696,663		696,663
Total comprehensive income for the year	-	696,663		696,663
As at 31 December	5,179,165	1,276,873		6,456,038
2024				
As at 1 January	5,179,165	1,276,873		6,456,038
Comprehensive income For the year				
Profit for the year		1,077,759		1,077,759
Revaluation reserve			7,398	7,398
Total comprehensive income for the year	-	1,077,759	7,398	1,085,157
As at 31 December	5,179,165	2,354,632	7,398	7,541,195

These financial statements have been approved and authorized for issue by the Board of Directors of LOLC UNGUKA FINANCE PLC on 21st March 2025 and signed on its behalf by:



KAGISHIRO Justin
Chief Executive Officer



KAGAJU Marie Louise
Chairperson of the Board Audit Committee

OTHER DISCLOSURES FOR THE YEAR ENDED 31st DECEMBER 2024

ITEMS	31-Dec-2024	31-Dec-2023
A. CAPITAL STRENGTH		
(i) Core capital (Tier 1) (Frw '000)	7,480,708	6,412,785
(ii) Supplementary capital (Tier 2) (Frw '000)	-	-
(iii) Total capital (Frw '000)	7,480,708	6,412,785
(iv) Total risk weighted assets (Frw '000)	26,467,590	21,820,626
(v) Core capital / Total risk weighted assets ratio (Tier 1 ratio)	28.3%	29.3%
(vi) Tier 2 ratio	-	-
(vii) Total capital / total risk weighted assets ratio	28.3%	29.3%
(viii) Leverage ratio	18.5%	18.7%
B. CREDIT RISK		
(i) Total gross credit risk exposures: after accounting offsets and without considering credit risk mitigation (Frw '000)	27,441,340	20,173,265
(ii) Average gross credit exposures, broken down by major types of credit exposure as follow:		
1) Loans, commitments and other non-derivative off-Statement of financial position exposures (Frw '000)	7,531	6,734
2) Debt securities;	-	-
3) OTC derivatives	-	-
(iii) Regional or geographic distribution of exposures, broken down in significant areas by major types of credit exposure;		
1) Kigali (Frw '000)	16,699,473	11,489,238
2) South (Frw '000)	1,257,520	1,051,579
3) North (Frw '000)	4,190,865	3,543,518
4) Eastern (Frw '000)	5,293,482	4,088,930
(iv) Sector distribution of exposures, broken down by major types of credit exposure and aggregated in the following areas:		
1) Public;	-	-
2) Financial;	-	-
3) Manufacturing; (Frw '000)	882	49,603
4) Infrastructure and construction; (Frw '000)	11,399,538	10,195,490
5) Services and commerce. (Frw '000)	13,634,920	7,812,569
6) Others (Frw '000)	2,406,000	2,115,603
(v) Off- Statement of financial position items	3,736	6,417
(vi) Non-performing loans indicators	-	-
1) Non-performing loans (NPL) (Frw '000)	268,855	324,875
2) NPL ratio	0.99%	1.63%
(vii) Restructured loans		
1) No. of borrowers	53	74
2) Outstanding amount (Frw '000)	1,300,820	1,282,685
3) Provision thereon (Frw '000) (regulatory):	24,603	17,724
4) Restructured loans as % of gross loans	5%	6%
C. EQUITY POSITION RISK	-	-
D. FOREIGN EXCHANGE RISK	-	-
E. COUNTRY RISK	-	-
(i) Credit exposures abroad	-	-
(ii) Other assets held abroad	-	-
(iii) Liabilities to abroad	-	-
F. MANAGEMENT AND BOARD COMPOSITION	-	-

(i) Number of Board members	7	7
(ii) Number of independent directors	4	4
(iii) Number of non-independent directors	3	3
(iv) Number of female directors	1	1
(v) Number of male directors	6	6
(vi) Number of Senior Managers	13	13
(vii) Number of female senior managers	3	3
(viii) Number of male senior managers	10	10
G. RELATED PARTIES		
(i) Loans to directors, shareholders, and subsidiaries (Frw '000)	22,164	39,718
(ii) Loan to employees (Frw '000)	887,763	758,598
H. LIQUIDITY RISK		
(i) Liquidity Ratio: Min-100% in 2023 and 20% in 2024	43%	178%
I. OPERATIONAL RISK		
(i) Number and types of frauds and their corresponding amount (One fraud related to pull and push withdraw in 2023, and two cases related to fraudsters using deception to exchange USD in 2024.) (Frw '000)	14,604	8,142
J. MARKET RISK		
(i) Interest rate risk	-	-
(ii) Foreign exchange risk % of Core Capital (NOP)	1.09%	2.28%

EXPLANATORY NOTES

- ✓ Interest and similar income increased by 24% from 2023 to 2024 because of new loans disbursement and improved portfolio quality.
- ✓ The net loan book increased by 36% y-o-y as of 31st December 2024 from Frw 20.173Bn end December 2023 to Frw 27.441Bn end December 2024. The NPL ratio declined from 1.63% end December 2023 to 0.99% end December 2024 due to enhanced portfolio quality and recovery.
- ✓ Total deposits increased by 28% y-o-y due to new deposits mobilized.
- ✓ Total asset increased by 15% y-o-y mainly due by the increase in loans and advances as well as customer deposits.

The financial statements and other disclosures are available on the Company's website at www.lolcunguka.com